

CUSTOMERS EXPECTATION TOWARDS SERVICES OFFERED BY THE PANDYAN GRAMA BANK IN SIVAGANGAI DISTRICT

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Abstract

The Indian banking industry is going through turbulent times. A decade of economic and financial sector reforms has strengthened the fundamentals of the Indian economy and transformed the operating environment for banks and financial institutions in the country. The banking industry, being very competitive, not only focuses on providing wide product lines to create competitive advantages, but also emphasizes the importance of its services, particularly in maintaining service quality. This study is a descriptive one. It attempts to find out customer expectation in the banking sectors based on the service dimensions namely tangibility, reliability, responsiveness, assurance and empathy. This research on service quality is carried out for Pandyan Grama Bank.

Keywords: Banking, Customer Expectation, Pandyan Grama Bank and Sivagangai district.

1. Introduction

A Regional Rural Bank (RRB) is popularly known as 'Gramin Bank'. The development process of RRBs started with the promulgation of an Ordinance promulgated on 26th September 1975 (which later on was replaced with Regional Rural Bank Act, 1976) with an objective to ensure sufficient institutional credit for agriculture and other rural sectors. It was on 2nd October 1975 that the first RRB named the 'Prathama Bank' came into existence.

The RRBs were set up on the recommendations of 'The Narasimham Working Group' as that time about 70% of the Indian Population was of Rural Orientation. It was in order to provide access to low - cost banking facilities to the poor people that the Narasimham Working Group (1975) proposed the establishment of a new set of banks, as institutions which

'combine the local feel and the familiarity with rural problems which the co-operatives possess and the degree of business organization, ability to mobilize deposits, access to central money markets and modernized outlook which the commercial banks have'.

Prabha *et al.* (2006) analyzed the service quality perceptions of the corporate customers in Coimbatore regarding the services provided by their banks. For the study they considered both product and service based sectors and SERVQUAL scale based questionnaire for the survey. By this study it has been revealed that even though customers are more satisfied with the competence and customer orientedness dimensions of service quality, still banks need to focus upon the aspects of communication, modernization and quickness of service.

Bhat and Mushtaq (2005) studied service quality perceptions of Indian banks in comparison with that of foreign banks. SERVQUAL instrument developed by Parasuraman *et al.* (1988) and its five dimensions such as reliability, responsiveness, empathy, assurance and tangibility

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were used for collecting primary data. A major finding of the study was that Indian banks fall much below the perceptions of their customers on all dimensions of service quality. Foreign banks are exceeding the perceptions of their customers on tangibility and reliability dimensions of service quality.

2. Features of the bank

- RRBs were mainly established to meet the credit requirement of small and marginal farmers, landless labour and artisans of rural India with focus on agro sector.
- In few years RRBs penetrated every corner of the country and extended a helping hand in the growth process of the country
- These were envisaged as a low cost financial intermediation structure in the rural areas to ensure sufficient flow of institutional credit agricultural and other rural sectors.
- RRBs were expected to have the local feel and familiarity of the cooperative banks with the managerial expertise of the commercial banks.

3. Main objectives of the present research

- To study the socio-economic profile of the customers of Pandyan Grama Bank in Sivagangai district.
- To find out the customers expectation towards services offered by the Pandyan Grama Bank.

4. Data Analysis and interpretation

Table - 1: Gender of the respondent

S. No	Gender	No. of Respondent	Percentage
1	Male	372	40.0
2	Female	558	60.0
	Total	930	100.0

Source: Primary data

Interpretation:

- It is found from table 1 that 558 (60%) of the respondents are females and 372 (40%) are males.

- It is concluded that the majority (60%) of the respondents selected for the study are females.

Table - 2: Age of the respondent

S. No	Age	No. of Respondent	Percentage
1	Upto 35 years	243	26.1
2	36-50 years	394	42.4
3	Above 50 years	293	31.5
	Total	930	100.0

Source: Primary data

Interpretation:

- It is evident from table 2 that 394 (42.4%) of the respondents belong to the age group of 36-50 years, 293 (31.5%) of the respondents belong to the age group of above 50 years, 243 (26.1%) of the respondents belong to the age group of upto 35 years.
- It is concluded that the maximum (42.4%) of the respondents selected for the study belong to the age group of 36-50 years.

Table – 3: Education qualification of the respondent

S. No	Education	No. of Respondent	Percentage
1	School level	267	28.7
2	College level	445	47.8
3	Professional	218	23.5
	Total	930	100.0

Source: Primary data

Interpretation:

- It is evident from table 3 that 445(47.8%) of the respondents belong to the college level, 267 (28.7%) of the respondents belong to the school level, 218 (23.5%) of the respondents belong to the professional.

It is concluded that the maximum (47.8%) of the respondents selected for the study belong to the education qualification of College level.



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Table - 4: Customer expectation towards services offered by the Pandyan Grama Bank

No.	Attributes	SA	A	N	DA	SDA
1.	The bank has technologically advanced equipments	404 (43.4%)	246 (26.5%)	108 (11.6%)	106 (11.4%)	66 (7.1%)
2.	The physical appearance and interior layout of the bank is appealing.	432 (46.5%)	260 (28.0%)	94 (10.1%)	91 (9.8%)	53 (5.7%)
3.	Hospitality of the bank employees is excellent	369 (39.7%)	282 (30.3%)	87 (9.4%)	127 (13.7%)	65 (7.0%)
4.	Pamphlets and other forms are simple and clear.	342 (36.8%)	297 (31.9%)	86 (9.2%)	133 (14.3%)	72 (7.7%)
5.	Location of the bank is convenient to the customers.	368 (39.6%)	309 (33.2%)	108 (11.6%)	87 (9.4%)	58 (6.2%)
6.	Number of staff available in the counters is sufficient.	386 (41.5%)	271 (29.1%)	88 (9.5%)	108 (11.6%)	77 (8.3%)
7.	Delivery of services in the counter is quick and the operating procedure is simple to follow.	386 (41.5%)	294 (31.6%)	91 (9.8%)	92 (9.9%)	67 (7.2%)
8.	There are ample Banking facilities near the Bank.	424 (45.6%)	269 (28.9%)	77 (8.3%)	110 (11.8%)	50 (5.4%)
9.	The services charges and commission are normal.	419 (45.1%)	301 (32.4%)	81 (8.7%)	78 (8.4%)	51 (5.5%)
10.	There are signs and directional boards available in the bank promises.	444 (47.7%)	292 (31.4%)	44 (4.7%)	107 (11.5%)	43 (4.6%)

Source: Primary data

5. Findings of the study

- The majority (60%) of the respondents selected for the study are females.
- The maximum (42.4%) of the respondents selected for the study belong to the age group of 36-50 years.
- The maximum (47.8%) of the respondents selected for the study belong to the education qualification of College level.
- A maximum of 43.4% of the respondents are Strongly Agree with the bank has technologically advanced equipments.
- A maximum of 46.5% of the respondents are Strongly Agree with the physical appearance and interior layout of the bank is appealing.
- A maximum of 39.7% of the respondents are Strongly Agree with the Hospitality of the bank employees is excellent.
- A maximum of 36.8% of the respondents are Strongly Agree with Pamphlets and other forms are simple and clear.
- A maximum of 39.6% of the respondents are Strongly Agree with Location of the bank is convenient to the customers.



- A maximum of 41.5% of the respondents are Strongly Agree with Number of staff available in the counters is sufficient.
- A maximum of 41.5% of the respondents are Strongly Agree Delivery of services in the counter is quick and the operating procedure is simple to follow.
- A maximum of 45.6% of the respondents are Strongly Agree with there are ample Banking facilities near the Bank.
- A maximum of 45.1% of the respondents are Strongly Agree with the services charges and commission are normal.
- A maximum of 47.7% of the respondents are Strongly Agree with there are signs and directional boards available in the bank promises.

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